

DATELINE:

LABOR & WORKFORCE DEVELOPMENT

A quarterly publication for employers from the Tennessee Department of Labor & Workforce Development
September 2000



2000 Employment Security legislation

The Tennessee General Assembly passed one bill this year amending the Tennessee Employment Security Law. This new law allows a claimant to be paid for his waiting period after he has served the waiting period and has certified and is otherwise eligible to receive benefits in each of the three consecutive weeks immediately following the waiting period. This change applies to claimants with benefit years established on or after July 2, 2000.

A claimant's waiting period is the calendar week, after filing a valid eligible claim for unemployment insurance benefits, during which the claimant received no wages or has received wages less than his weekly benefit amount.

Claimants will not be paid for their waiting period if they have any break in their claim between the time they serve their waiting period and the three consecutive weeks immediately following the waiting period.

"This new law does not increase the amount of benefits paid to claimants who do not exhaust their benefits," explained Chris Betts, administrator for the Division of Employment Security in Tennessee.

"Claimants who are eligible to be paid for their waiting week will receive payment for the waiting week with the payment for the third consecutive week immediately following their waiting period."

Reporting by magnetic media now required

Effective for Wage and Premium Reports for the quarter beginning July 1, 2000, employers with 250 or more employees must pay a penalty of \$50 per report per month for not reporting employee wages on magnetic media.

The maximum penalty per report is \$500, and the penalty is imposed until the time the employer begins complying with the law. The penalty also applies to persons or organizations that, as an agent, report wages on 250 or more employees on behalf of one or more subject employers.

New employer rates

The new employer rates for the rate year beginning July 1, 2000, and ending June 30, 2001, are

Construction	6.5%
Mining	10.0%
All Others	2.7%

Route rate notice to appropriate party

Each September and October the TDLWD receives hundreds of telephone calls and letters from CPAs and other employer representatives requesting premium rate information or reserve account information on their employer clients.

Usually, the information requested has already been supplied directly to the employer on his annual Notice of Employer's Premium Rate (LB-0482). This notice is mailed to all premium-paying employers each year during the last week of August or the first week of September.

If you assign the preparation of your Wage and Premium Report to a CPA or another employer representative, please provide him a copy of your Notice of Employer's Premium Rate when you receive it. This should eliminate or reduce the necessity for providing duplicate notification of premium rates and reserve account

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Routing Box

- ☐ Personnel Director
- ☐ Manager
- ☐ Payroll Officer
- ☐ Other

Call area offices for help

Staff in the eight Employer Accounts offices located across the state assist employers in complying with the unemployment insurance laws and help employers in their unemployment insurance needs, including providing copies of the latest *Tennessee Employment Security Law With Regulations* and the *Handbook for Employers*.

Please call one of the following offices nearest you whenever you have a question or need help:

Chattanooga	(423) 634-6220 FAX (423) 634-6354
Columbia	(931) 380-2507 FAX (931) 380-2586
Cookeville	(931) 526-3531 FAX (931) 528-6447
Elizabethton	(423) 543-6030 FAX (423) 543-6106
Humboldt	(901) 784-7666 FAX (901) 784-7537
Knoxville	(865) 594-6380 FAX (865) 594-6357
Memphis	(901) 543-7543 FAX (901) 543-7882
Nashville	(615) 741-2621 FAX (615) 741-3472

Route rate notices (cont.)

information. We greatly appreciate your help in this regard.

By law, the department cannot release any information on an employer's account unless the employer has granted a power of attorney specifically authorizing release of such information to the individuals or organizations named.

Records that may be released

Information obtained from claimants and employers must be kept confidential, as required by TCA 50-7-701, with some exceptions that include the following:

To parties as necessary for presentation of an unemployment claim

☞ We can release information to an adversely affected party who is requesting it to pursue appealing a claim.

☞ We will require identification and will require a signature on our agency release form.

☞ We can release information to either party if an appeal has already been filed. Your request should be directed to the Appeals Tribunal, Division of Employment Security, Nashville, TN 37245-0600.

To anyone if the information was introduced before the Appeals Tribunal or Board of Review

☞ We can release information to anyone who requests such for the furtherance of a UI claim. (No fee)

☞ If the information is requested for some other purposes, such as a separate court case, there is a charge of \$25. Such requests should be directed to the UI Special Services Unit of the TDLWD, 10th Floor Davy Crockett Tower, Nashville TN 37245-2600.

Posters available on-line

TDLWD posters are now available to download via the Internet. Just go to the following address to find the posters required by the TDLWD as well as a link to the federal site that lists the posters required by the federal government:

<http://www.state.tn.us/labor-wfd/poster.htm>.

Federal bonding now available

Jobseekers needing fidelity bonding to be hired or promoted may be eligible for the Federal Bonding program sponsored by the U. S. Department of Labor. A fidelity bond is a business insurance policy that protects an employer from loss of money or property due to employee dishonesty.

A \$5000 bond with no deductible amount of liability for the employer is free for six months as incentive to hire any at-risk person who does not qualify for commercial bonding and meets certain other criteria. A worker simply needs a definite job offer for at least 30 hours work per week to be eligible for coverage. Only workers who earn wages with federal taxes automatically withheld from the employee's paycheck are covered; self-employed persons cannot receive coverage.

If the worker demonstrates job honesty during this first six months, he can become bondable for life under commercial bonding available to employers for purchase from the Travelers Property Casualty Insurance Company.

Local office Job Service staff of the Tennessee Department of Labor & Workforce Development certify applicants for the Federal Bonding Program. The employer is not required to sign any documents or keep special records since the bond is self-terminating. The bond is effective on the date set for the applicant to start work.

Reminder on taxable wages

The Tennessee taxable wage base for Unemployment Insurance purposes is \$7,000.

Remember when preparing your quarterly Wage and Premium Reports that you only pay premiums on the first \$7,000 you paid to each individual employee during the calendar year.

The amount of wages over \$7,000 paid to an employee during a calendar year is "Excess Wages" for Unemployment Insurance premium purposes.

Enter "Excess Wages" for the quarter on line 2 of the Premium Report (LB-0456).

"Excess Wages" reported in a quarter cannot exceed the amount of "Total Wages" you entered on line 1 of the Premium Report. "Net Taxable Wages" on line 3 of the report cannot be a negative number.

If you failed to deduct the correct "Excess Wages" on a prior quarterly report, do not make an adjustment on your current quarterly report. Make "Excess Wages" corrections on the Claim for Adjustment or Refund Form (LB-0459).

To obtain this form contact your Employer Accounts auditor or contact the Employer Accounts Unit, 500 James Robertson Parkway, Nashville, TN 37245-3530, phone (615)741-1619.

Workers' Comp conference coming up

The Fourth Annual Tennessee Workers' Compensation Educational Conference, sponsored by the TDLWD and the state Department of Commerce and Insurance, will take place at the Nashville Airport Marriott, November 20-21, 2000. The event is held in association with the International Workers' Compensation Foundation.

The registration fee ranges from \$225 (early) to \$325 (after November 1). For further information contact **Jeanne Bush** at (904) 304-1993 (office) or (904) 304-8830 (FAX).

Numbers

TN unemployment rate (July 2000) 3.6%
TN unemployment rate (July 1999) 4.1%

US unemployment rate (July 2000) 4.0%
US unemployment rate (July 1999) 4.3%

UI trust fund (July 2000) \$918.4 million
UI trust fund (July 1999) \$882.3 million

The Tennessee Department of Labor and Workforce Development is an equal opportunity employer. Auxiliary aids and services are available upon request to individuals with disabilities.

El Departamento del Trabajo y Desarrollo de la Fuerza Laboral de Tennessee es un patrono que ofrece igualdad de empleo. Ayudas auxiliares están disponibles para individuos con impedimentos.



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